we spend far too much money funding subsidies in the nature of equity, with neither equity objectives nor efficiency objectives being met."

(b) The amount of subsidies on food, fertilizers and petroleum (item-wise) sanctioned/ spent by Government during the last two years, till date are given below:

(Rs. crore)

	2005-06		2006-07		2007-08	
	(B.E.)	Actual	(B.E.)	Actual	(B.E.)	Actual (upto January, 2008)
1. Food subsidy	26200	23077	24200	24014	25696	24395
2. Fertilizer subsidies	16254	18460	17252	26222	22451	28705
3. Petroleum subsidy	3644	2683	3080	2699	2840	1998

Source: Expenditure Budget (various issue) and Controller General Accounts (CGA).

(c) The food subsidies are largely designed to be targeted to people below the poverty line (BPL), the other two subsidies, namely fertilizer and petroleum, particularly the LPG are available to all users/consumers. Based on evaluation studies and feedback received from states, a nine point action plan has been jointly formulated by the Central and the State/UT governments to strengthen the Targeted Public Distribution System (TPDS). These include regular reviews of the BPL and Antyodaya Ann Yojana (AAY) lists to ensure coverage of eligible families, involvement of Panchayati Raj Institutions in the public distribution system (PDS) operations, use of information technology, creating awareness among public about PDS operations, etc.

Lapses in the IT and Customs Departments

1131. DR. K. MALAISAMY: Will the Minister of FINANCE be pleased to state:

(a) whether the defects of lapses pointed out by the Comptroller and Auditor General in audit paragraphs in respect of Income Tax Department and Customs Department in one area of jurisdiction are found in another area of jurisdiction after some time for want of correction at all India level; and

(b) whether there would be a suitable mechanism to avert this kind of recurrence?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The objections pointed out by the Comptroller and Auditor General in Audit paragraphs are case specific and relate to the facts and circumstances of particular cases. Replies to issues raised by C & AG are finalized at senior levels to ensure uniform applicablity.

(b) Instructions are issued from time to time by CBDT and CBEC prescribing the procedure for dealing with Audit objections and also for taking appropriate remedial action on case to case basis. Copies of C&AG reports are circulated to internal Audit Parties and the other field formations to alert them and ensure that action is taken to safeguard the revenue if similar cases are noticed by them.